

been extremely supportive of this initiative. Although the investment in the effort has been modest, I believe it has had extraordinary payoff for DoD and the Nation at large. If we can retain our strong technological lead, we can save billions in defense dollars later that would otherwise need to be spent on catch-up activities. Therefore, I hope, as we look toward conference on this bill, that the Congress is able to continue to fund the NDU Technology Pilot Program's important work by setting aside \$1,000,000 for the program in account PE 65104D8Z for fiscal year 2007.

TRIBUTE TO RIVERVIEW BIBLE  
BAPTIST CHRISTIAN SCHOOL  
BOYS BASKETBALL TEAM

**HON. JO ANN EMERSON**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 22, 2006*

Mrs. EMERSON. Mr. Speaker, I rise today to congratulate the Riverview Bible Baptist Christian School Boys Basketball Team of Forsyth, MO, On March 18, 2006, the team won the National Championship of the National Association of Christian Athletes 2006 Boys Division V, an outstanding accomplishment.

Using the work ethic and good sportsmanship which are our core values in Southern Missouri, the young men of this team cooperated to accomplish an incredible goal. Their perseverance embodies a striking lesson for our Nation as an example of what can be done when all of the members of a team work as one. In an age where sports offers so many examples of selfish play and self-promotion, the Riverview Bible Baptist Christian School Boys Basketball Team shows what is right with sports in America. These young men and their coaches also serve as an example of how teamwork can result in remarkable success. The concept of team is perfectly illustrated by these young men.

I want to applaud the Riverview Bible Baptist Christian School Boys Basketball Team, their coaches and their many supporters on an outstanding season, ending in a great victory. I also want to recognize them for providing a meaningful lesson in the value of teamwork and thank them for representing the Eighth Congressional District so well through their play in the tournament.

FAMILIES USA STUDY EXPOSES  
THE WEAKNESSES OF PRIVATE  
PRESCRIPTION DRUG PLANS

**HON. JANICE D. SCHAKOWSKY**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 22, 2006*

Ms. SCHAKOWSKY. Mr. Speaker, today I rise in order to bring to the attention of my colleagues a study released by Families USA on the new Plan D prescription drug plan, "Big Dollars Little Sense: Rising Medicare Prescription Drug Prices." This report, which was released earlier this month, describes how private prescription drug plans have failed to secure cheaper drug prices for Medicare enrollees and have done nothing to stem the tide of rising drug prices.

By comparing the prices under private Part D plans to the prices available to veterans through the Department of Veterans Affairs (VA) health system, the Families USA report shows that the private insurers are failing to provide needed cost savings to their customers. Between November 2005 and April 2006, private Part D insurers raised the prices on seventeen of the top twenty most frequently prescribed drugs to seniors significantly, while the same drugs under the VA plan experienced little or no increase at all. The median difference in price between the Part D and VA plans was 46 percent. In other words, seniors enrolled in Part D private plan are paying an average 46 percent more for those drugs than they would have if they had been able to receive VA negotiated prices.

As the study details:

For each of the top 20 drugs prescribed to seniors, the lowest price charged by any Part D plan was higher than the lowest price secured by the VA . . . For Zocor (20 mg), a drug used to prevent coronary heart disease, the lowest VA price for a year's treatment was \$127.44, while the lowest Part D plan price was \$1,275.36, a difference of \$1,147.92 or 901 percent. For Zocor (40 mg), the lowest VA price for a year's treatment was \$190.76, while the lowest Part D plan price was \$1,275.36, a difference of \$1,084.60 or 569 percent.

This difference is staggering, and it shows the difference between a publicly-accountable plan that is committed to helping its beneficiaries and private plans that are committed to helping their profit margins, "Big Dollars Little Sense," debunks the myth that the price difference between the VA and private Part D plans has to do with the number of drugs covered. As the study states, the VA plan covers just as many drugs as the plans in Part D but is able to obtain "large discounts simply by using the government's negotiating power." The VA utilizes the significant leverage it has in order to get cheaper drugs for its beneficiaries—an authority Medicare is explicitly prohibited from using under the current Medicare law.

Another discovery that the report made was that the private insurers have done almost nothing to protect seniors from rising drug prices. Over a six-month period between November 2005 to April 2006, drug prices for the top twenty drugs prescribed to seniors rose 3.8 percent. That increase was mirrored by the private drug plans, which raised their prices to their customers 3.7 percent. The plans were unable to moderate increases, unlike the VA, where prices either did not increase or increased at a far lesser rate. The drug prices continue to rise and the private insurers simply pass that increase on to the seniors enrolled in their plan, making little effort to negotiate fairer prices.

The Families USA report not only draws attention to the ineffectiveness of the private insurers but highlights the fact that there is no way to hold them accountable. Part D states that these plans are required to pass the discounts they receive on to Medicare beneficiaries but does not specify the proportion of the discount that must be passed on. The insurers could actually be getting huge discounts from the drug manufacturers and just keeping the difference, but we have no way of knowing. There is no disclosure and no accountability for the private providers who supply an essential benefit to the elderly in this

country. This is a serious problem for seniors. Prices are higher than necessary, can increase over the course of the year, and can vary among plans. It is also a serious problem for taxpayers, who pay 75 percent of the cost of Part D premiums. "Big Dollars Little Sense," reports, too, that the median difference between the highest and lowest prices that Part D plans charged for the same drug was 36 percent. This is not just a question of picking the right plan during the enrollment period—since plans can change prices throughout the year but seniors are locked in, even a smart shopper can end up paying much more for their drugs than enrollees in other plans.

This report concludes that seniors in this country would get a far better deal if they were able to benefit from Medicare price negotiation:

Price data from the Part D plans from November 2005 and April 2006 show that these plans are failing to deliver on the promise that competition would bring prices down. The use of "market power," lauded by Medicare officials and the Administration, has not resulted in drug prices that are comparable to the low prices negotiated by the Department of Veterans Affairs. Not only are Part D plan prices high, but these prices are increasing far more often than they are decreasing, and the plans are not containing drug price inflation. These disturbing price trends do not bode well for either Medicare consumers or taxpayers. The "market power" of the plans has not delivered the low prices promised to Medicare consumers.

The law that established the Medicare prescription drug benefit, in prohibiting Medicare from using the negotiating clout of 43 million seniors and others in Medicare to obtain low drug prices, has given seniors and taxpayers a benefit that costs more than it should. When negotiations are divided among a multitude of plans, none seems to do as well as a single negotiator might. When it comes to reducing and containing drug prices, the Medicare drug program is an opportunity that has been badly squandered.

A Medicare-administered plan with Medicare price negotiation would lower prices since the drug companies would be more likely to provide a good deal to an entity representing 43 million of their best customers. That is why I urge my colleagues to read this important report and to support H.R. 752, the Medicare Prescription Drug Savings and Choice Act, which would give seniors and persons with disabilities the ability to enroll in a Medicare-operated plan with lower prices.

THE ANNIVERSARY OF THE KELO  
V. CITY OF NEW LONDON DECISION

**HON. RICHARD W. POMBO**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 22, 2006*

Mr. POMBO. Mr. Speaker, tomorrow marks the one year anniversary of one of the worst Supreme Court decisions in recent memory, *Kelo v. City of New London*. One year ago, the Court struck a blow against property owners everywhere and delivered the government's long-standing assault on property rights on farms and ranches in rural America right to the doorsteps of American suburbs.

The *Kelo* decision expanded the traditional understanding of "public benefit"—roads,